

**Minutes of the
Free Market Protection and Privatization Board:
Privatization Process Advisory Committee**

Tuesday, May 27, 2014, 2:00 PM
Copper Room, Senate Building
State Capitol Complex

Present:

Brian Gough (Chair) and Russ Anderson

Absent:

Kim Jones, Rep. Lynn Hemingway, Randy Simmons, and Chad Whitlock

Staff present:

Cliff Strachan, Governor's Office of Management and Budget (GOMB)

Note: Additional information including related materials and an audio recording of the meeting can be found at <http://gomb.utah.gov/operational-excellence/privatization-board/> and the Utah Public Meeting Notice Website (<http://www.utah.gov/pmn>).

1. Welcome and Introductions

Brian Gough called the meeting to order. Kim Jones, Rep. Hemingway, and Randy Simmons were excused. Chad Whitlock was expected to arrive late.

Ken Murray, Anita White, and John Bower, Sequoia Consulting Group, participated via video conference.

2. Committee Business/Minutes

a. Minutes from the March 26, 2014 meeting

There was no quorum, therefore no motion was allowed to approve the minutes.

3. Sequoia Consulting Group - Ken Murray and Anita White

The advisory committee, consultants, and staff reviewed and discussed specific points of an updated Draft of Guiding Principles, Core Business Process, and Service Delivery Assessment Form dated May 21, 2014 prepared by Sequoia Consulting Group. Included in this version was a cost assessment process, which the committee reviewed. More work is needed by the committee to rank the elements of review.

In response to a request from the Board, Dr. Murray introduced and the committee discussed a definition of "unfair competition" for review. Mr. Anderson noted the definition should be relevant to the state statute.

There was a brief discussion on bullets 1 and 7 of the Primary Alternative Service Delivery Strategies, specifically on the status of state employees.

Mr. Bower presented the draft costs analysis model, noting it can lead to a better definition of services. How

it is used and what parts of the model are used will vary by projects. The committee talked about challenges with cost benefit analysis, including relative importance of cost elements, factors to be clarified, how to evaluate risk, how to quantify policy outcomes, and a need to study a sufficient time frame to avoid loss-leader effect.

4. Other/Adjourn

Committee Chair Brian Gough adjourned the meeting.

Scheduled meetings:

- Tuesday, July 8, 2014 at 2:30 PM in Room 240 Capitol Building
- Tuesday, August 19, 2014 at 2:30 PM in Room 240 Capitol Building

These meetings will include video conferencing or telephone participation.